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PREPARED BY:  
DATE PREPARED:  
PHONE:

Mike Lovelace  
February 01, 2011  
471-0050

**LB 529**

Revision: 00

# FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS	See below		See below	
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

\*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 529 changes provisions relating to conservation and preservation easements.

One provision would allow the appropriate local governing body to deny a conservation or preservation easement on the grounds that it was not in the best interest of the county. Another provision would provide that a conservation or preservation easement held by a charitable corporation or trust shall be limited to 10 years unless the county board, after a public hearing, approves its continuation. These new provisions may affect the assessed value of land for tax purposes if they limit the acreage that is held under a conservation or preservation easement. Any impact on property tax collections is indeterminate and will depend on approval/denial actions taken by the local governing bodies.

LB 529 also places certain limits on the Environmental Trust Board and the use of the Environmental Trust Fund. Namely, the Board cannot hold property nor obtain easements; no more than 10% of the grant allocations in any year can be used by recipients for land purchases or easements; and only political subdivisions can use grant allocations for land acquisition. These provisions will potentially change the type of projects that are funded by the Board but this will not have a fiscal impact on their overall expenditures since the revenue available to be distributed does not change and the requests for project funding far exceeds the money available.

The Game and Parks Commission is a recipient of money from the Environmental Trust Fund and they have indicated in their fiscal note that prohibiting them from using grant proceeds for land acquisition may prevent projects from moving ahead or result in a heavier reliance on agency cash funds. There is no basis to disagree with this assessment.

DEPARTMENT OF ADMINISTRATIVE SERVICES

REVIEWED BY	Cindy Miserez	DATE	2/1/11	PHONE	471-2526
COMMENTS					
NEBRASKA GAME AND PARKS COMMISSION: I have no basis to disagree with NGPC's statement.					

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LB <sup>(1)</sup> 529 FISCAL NOTE

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LEGISLATIVE FISCAL

State Agency OR Political Subdivision Name: <sup>(2)</sup> Game and Parks Commission

Prepared by: <sup>(3)</sup> Patrick H. Cole Date Prepared: <sup>(4)</sup> January 30, 2011 Phone: <sup>(5)</sup> (402) 471-5523

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	FY 2011-2012		FY 2012-2013	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Return by date specified or 72 hours prior to public hearing, whichever is earlier.

Explanation of Estimate:

The proposed legislation makes changes to provisions related to conservation and preservation easements. It requires that written notice be given to entities that levy taxes on property subject to an easement, identifying the fiscal impact of the easement (e.g. change of classification or removal from tax roll). It also adds 'the best interest of the county' as prerequisite for approval of an easement by the appropriate governing body dealing with land-use planning. Conservation or preservation easements held by a charitable corporation or trust would be limited to ten year terms, subject to reauthorization by the county board. These changes would not have a direct fiscal impact on the Commission, but could have an indirect impact if conservation and preservation easements held by individuals and/or charitable corporations were too difficult to obtain and thus affect potential important wildlife population and/or habitat management benefits.

The bill also prohibits the Environmental Trust from holding property in fee or easement and limits its grant allocation for land purchases and easements to no more than ten percent of any years allocation. It also limits grant allocations for land acquisition to political subdivisions. Historically such grants have been made to conservation organizations. No fiscal impact is determinable, beyond the 10% limitation. Continued next page.

MAJOR OBJECTS OF EXPENDITURE

Personal Services

POSITION TITLE	NUMBER OF POSITIONS		2011-2012	2012-2013
	11-12	12-13	EXPENDITURES	EXPENDITURES
Benefits.....				
Operating.....				
Travel.....				
Capital outlay.....				
Aid.....				
Capital improvements.....				
TOTAL.....				

Limiting grants for land acquisition to political subdivisions would eliminate the Commission's ability to secure

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LB<sup>(1)</sup> 529 FISCAL NOTE

funding for some projects. The Commission has utilized Trust grants in the past for portions of some acquisition projects and currently has an application in for assistance on another tract. The Trust has not taken formal action on this years grant applications so it is not certain what impact this legislation will have on our current application (it is a multi-year funding request) or future requests. Failure to secure Trust grants will either prevent future projects from moving ahead or result in a heavier reliance on agency cash funds, which may or may not be available. No definitive estimate of the fiscal impact can be made at this time.